

EXHIBIT C

Key Elements of Modified W.R. Grace & Co. Chapter 11 Plan that is Consensual with Asbestos Personal Injury Claimants ("PI Claimants")

- I. Grace and the PI Claimants agree on the funding and terms of a post-confirmation trust (the "Trust"), to be used to pay current and future PI claims and to qualify for a channeling injunction.
- II. Classification of Asbestos Claims:
 - A. Asbestos PI Claims and Asbestos Property Damages Claims ("PD Claims") would be classified in a single class for purposes of (i) voting, and (ii) the channeling injunction to the Trust.
- III. Treatment of Asbestos PI Claims:
 - A. Funding:
 1. Grace would pay the Trust the present value of cash equal to Grace's financial obligation to the national trust in the event that the FAIR Act passes substantially in its present form.
 2. On the Effective Date Grace would deliver the Trust a Contingent Note for an additional amount in the event that the FAIR Act does not pass:
 - (a) The amount and other terms of the Contingent Note would be negotiated with the PI Claimants.
 - (b) The amount of the Contingent Note would be increased depending upon the amounts ultimately paid to PD Claims (including ZAI) and the outcome of the pending criminal case in Montana.
 - B. TDP
 1. To be in line with recent consensual plans.
 2. Provisions regarding Libby claimants to be negotiated.
- IV. Treatment of Asbestos PD Claims:
 - A. Payment of PD Claims will be channeled to the Trust under §524(g) and funded separately in an amount estimated by the Court to result in parity with PI Claims.